The A. F. of L. Weekly News Service gives news accounts and editorial interpretations of matters affecting labor occurring in the industrial, legislative, and judicial fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR
WEEKLY NEWS SERVICE

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**LABOR'S GOAL!
To Repeal
Taft-Hartley Law**

WHOLE NO. 1921 — WILLIAM GREEN, President — WASHINGTON, D. C., TUESDAY, FEBRUARY 3, 1948 — GEORGE MEANY, Secretary-Treasurer — VOL. 38, NO. 5

LABOR AND HOUSING

By RICHARD GRAY

President, AFL Building and Construction Trades Department

The following is the final part of a series of excerpts taken from testimony presented before the Joint Committee on Housing by Richard Gray, president of the AFL's Building and Construction Trades Department.

Mr. Gray's testimony ably refuted the baseless charges frequently made to the effect that the building trades unions have been responsible for the delays and high costs involved in home building. This presentation of labor's side of the story on the construction industry will be of interest to all readers of the labor press.

LABOR COSTS

The two largest elements of site construction cost are materials and labor. As these costs rise so do total costs. It is therefore important to study the relative increase in each item. The best place to look for this information is the Bureau of Labor Statistics. The figures provided by BLS show that the index of union hourly wage scales in the building trades rose from 100.0 in June 1939 to 147.2 in July 1947. On the other hand, all building materials increased 107 percent during the same period. Lumber increased 222 percent between the two dates while paint materials increased by 155 percent. In this respect it must be remembered that lumber is one of the most important components of a house. Any increase in lumber causes a disproportionate increase in total construction cost. If we convert the building material index to a 1939 base we find that the level reached in July 1947 is 185.3. Substantial increases have occurred since then. On the same base all building materials reached 207.1 in November 1947, while brick was 161.2, lumber 317.1, paint and paint materials 195.4, and plumbing and heating 171.7.

In general studies show that site labor cost varies between 29 and 34 percent of the total site cost of residential buildings. These studies also show that this proportion has remained approximately the same since before the war.

Let me emphasize that this proportion indicates the relationship between labor cost and the actual site cost of building a house. In relation to the actual selling price of the house, site labor cost would be considerably smaller.

In 1940 the average total site construction cost of residential dwelling units was $4,065. The average selling price in that year was about $5,250. For September, 1947, the total construction cost of a single-family house was $6,348. The selling price of such a house ranges from $8,500, on up, as high as the market could bear.

Wage Rates for Building Trades Unions Lag Behind Zooming Materials Prices

Washington, D. C.—Wage increases for union workers in the building trades continue to lag behind increases in the prices of building materials.

This was attested to by recent figures prepared by the Bureau of Labor Statistics on the basis of its regular quarterly survey of 7 basic building crafts in 75 cities throughout the nation.

Between June 1939 and January 1948, the BLS reports, union wage rates rose 52 percent, with about 80 percent of this increase gained since V-J Day.

During the period from June 1939 to November 1947 average wholesale prices of building materials jumped 109 percent. During the past three months, wholesale prices, in general, have climbed still higher, thus widening the discrepancy between wage rate increases and materials price rises.

The BLS declared that in the past 6 months union workers in the building trades gained wage rate increases of about 3 percent as a result of increases to slightly more than one-fourth of the organized building trades workers. The 3 percent average increase brought the average hourly pay scale up to $1.96 in the cities surveyed.

Almost 135,000 of the 500,000 union tradesmen in the 75 cities surveyed received increases during the 6-month period from July 1, 1947, to January 2, 1948. While the amounts of increase ranged from 2½ to 56 cents an hour, 40 percent of the tradesmen whose pay scales were boosted received from 25 to 30 cents an hour, and 26 percent from 10 to 15 cents. Wage rates of about half of the union electricians and a third of the carpenters and brush painters were advanced.

Electricians generally received 12½ or 25-cent hourly increases, carpenters most frequently gained 25 cents. Over half of the painters whose rates advanced were in New York City, and they received 30 cents an hour. Larger increases affected relatively few workers—a small number of bricklayers, painters, plasterers and plumbers. The highest pay rate advance for building laborers was 20 cents, the lowest 2½ cents, but the most common amounts received were either 5 or 15 cents.

Typically, wage scales for the various crafts are lower in the smaller cities and in the South, and highest in New York City and Newark. Average hourly wage rates on January 2, 1948, for the 75 cities combined ranged from $1.24 for building laborers to $2.40 for bricklayers. The spread in rates for each craft was at least $1.

Over 2,000,000 Workers Injured in 1947; Time Lost Equals Year's Job for 150,000

Washington, D. C.—Work injuries disabled over 2,000,000 and killed 17,000 workers in 1947, according to preliminary estimates prepared by the Bureau of Labor Statistics.

The total of 2,059,000 disabling injuries was only 3,000 greater than the 1946 total, but the fatalities increased more sharply due primarily to the Texas City explosions and the Centralia mine disaster. In 1946, 16,500 deaths were reported as a result of accidents.

Despite the increased number of disabling injuries reported in 1947, the BLS report states that on the basis of information for the first 9 months of the year, the final injury-frequency rates for most manufacturing industries will be substantially lower than in 1946.

The actual time lost from work in 1947 because of these injuries is estimated as nearly 44,700,000 man-days, which is equivalent to a year's full-time employment for 150,000 workers.

In addition to the 17,000 workers who died as a result of work injuries in 1947, there were 91,800 who experienced some form of permanent impairment, such as the loss or loss of use of some part or function of the body. The other 1,950,200 injured workers each lost at least 1 full day as a result of their injuries, but did not suffer permanent ill effects.

Expanded operations and increased employment during 1947 were largely responsible for the sharp rise in the number of injuries in construction, mining and quarrying, public utility operations, and trades. In construction, the 1947 total of 151,700 disabling injuries was 15 percent greater than in 1946, but construction fatalities increases only 9 percent to a total of 2,400. In mining and quarrying, fatalities increased 15 percent over 1946, but the total volume of injuries rose only 11 percent.

In agriculture, in railroads, and in the miscellaneous industry group, composed of services and governmental operations, there were fewer injuries in 1947 than in 1946.

In manufacturing, the increase in work injuries normally associated with rising employment did not materialize. The 1947 injury total for the manufacturing group of industries was practically unchanged from 1946—539,000 disabling injuries in 1947 as compared with 541,500 in 1946. There were, however, 2,700 deaths in manufacturing during 1947, representing an increase of 200 over the 1946 total.

McDEVITT REJECTS BID TO DEMOCRAT'S CONCLAVE

Harrisburg, Pa.—James L. McDevitt, president of the Pennsylvania State Federation of Labor, declined nomination as a delegate-at-large to the Democratic Natonal Convention.

McDevitt rejected the bid from state democratic leaders on the ground that his organization's political activity this year would be conducted on a nonpartisan course with the traditional AFL policy of supporting friends and fighting foes, irrespective of party affiliation.

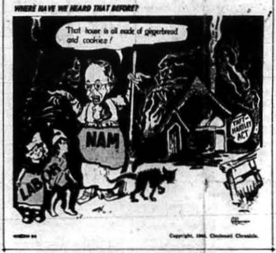
4,796,399 NEW CARS SOLD IN '47 BY AUTO MAKERS

Detroit.—The automotive industry turned out 4,796,399 cars, trucks, and coaches in 1947, the Automobile Manufacturers Association reported.

The total exceeds 1946 by 55 percent, and was topped only by 1929's factory sales of 5,358,420 units and 1937's 4,808,974 cars, trucks and coaches.

Sales for December represented a 19 percent increase over the preceding month and was 7.5 percent higher than the previous record set for the year in October.

WHERE HAVE WE HEARD THAT BEFORE?


That house is all made of gingerbread and cookies!
NAM
LABOR
TAFT-HARTLEY ACT

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NOTE TO EDITORS: The above cartoon is reproduced through the courtesy of "The Chronicle," Cincinnati's labor newspaper, and is the third of a series to be published and distributed to the labor press in mat form, without charge, by the AFL Weekly News Service.

Please advise us of your reactions to these cartoons in order that we may determine whether to order additional similar material on other issues of interest to labor. Address your communications to C. F. Miller, Editor, AFL Weekly News Service, Room 211, AFL Building, Washington 1, D. C.

Cuban Workers Confederation Votes Affiliation With New Hemispheric Unit

Miami.—The executive committee of the Cuban Confederation of Labor voted to affiliate with the newly formed Inter-American Confederation of Labor.

This was announced by Cuban Congressman Eusbia Mujal, a member of the executive committee of the Cuban Confederation of Labor, who said his organization would withdraw from the Communist-dominated CTAL headed by Vincente Lombardo Toledano of Mexico.

Formation of the new hemispheric organization of free trade unions at Lima was aimed at Toledano's organization which has attempted to extend its influence throughout the western hemisphere. AFL President William Green has characterized Toledano as the No. 1 Communist agent in Latin America.

The announcement of the decision of the Cuban workers confederation was made at a luncheon tendered Senor Mujal and Cuban Minister of Labor, Francisco Aguirre, by Mr. Green and members of the AFL's international relations committee, among them executive council members Matthew Woll, David Dubinsky, George Harrison, and Secretary-Treasurer George Meany.

Meanwhile, five members of the executive committee of the Inter-American Confederation of Labor met here and decided to recommend to the 10 remaining members of the committee that immediate authorization be given to President Bernardo Ibanez to set up the confederation's headquarters in Santiago, Chile, in view of the order issued by the Peruvian Government forbidding the confederation to establish headquarters in Lima, Peru.

Those attending the meeting were AFL Secretary-Treasurer George Meany, Bert M. Jewell, representing the railroad workers, and Serafino Romualdi, all of the U. S. and Eusebio Mujal and Francisco Aguirre of Cuba.

Friendship Motor Caravan Aids Striking Farm Workers

Bakersfield, Calif.—A "Friendship Caravan" of 700 cars and trucks converged here with food and clothing for the 1,100 striking members of the AFL's National Farm Labor Union who are continuing their 4-month-old strike against the vast Di Giorgio Farms Corporation ranch.

The gifts were donated by trade unionists throughout California and transported by means of the caravan which was organized by the California Federation of Labor.

Commenting upon the development, H. L. Mitchell, president of the union, said:

"The 'Friendship Caravan' will be the most significant demonstration of the unity of organized industrial workers with agricultural labor ever to occur in the United States."

The 1,100 farm workers went on strike against the Di Giorgio Corp. last October 1, following refusal of the corporation officials to meet with representatives of the union for a discussion of grievances of the workers.

The strike quickly became a show-down battle with the notorious Associated Farmers of California determined to prevent trade unionism in industrialized agriculture. Mexican nationals in the United States under contract with the Department of Agriculture were used as strikebreakers for the first 40 days of the long strike before pressure by organized labor forced their removal.

Then the corporation sought to recruit strikebreakers locally. Failing to find men willing to take the farm workers jobs, labor was recruited among unemployed Americans of Mexican descent in El Paso, Texas. Recruitment of strikebreakers from out of state was stopped when the labor recruiters came in conflict with the laws respecting strikebreakers.

Since then, the 22,000-acre ranch which produces grapes, plums, and asparagus has been operating at less than one-third capacity.

Improved conditions sought by the union include the following:

1. An increase in wages to offset the cost of living.
2. Establishment of a standard work week, lunch hours, seniority in promotions, a fair policy in respect to hiring and firing.
3. Pay on a weekly basis.
4. Overtime rates for excessive hours.
5. Pay for time lost by workers notified to report and then sent home.
6. Full pay for field workers on constant duty, former practice—work 12 hours, paid for 11 hours.
7. Cool water for workers in fields and packing sheds, adequate toilet facilities for men and women in sheds.
8. Establishment and enforcement of safety regulations in packing sheds and transportation facilities provided by the company for workers moving from field to field.

AFL UNION SELECTED BARGAINING AGENT

Baltimore.—An AFL affiliate scored another sweeping victory in a collective bargaining election held here at the plant of the National Gypsum Co.

The United Cement, Lime and Gypsum Workers Union was selected as bargaining agent for company employes by a vote of 105 to 3 in favor of the union.

DAVID SCHEYER DIES

New York City.—David Scheyer, director of union label promotion for the AFL's United Hatters, Cap and Millinery Workers Union, died suddenly here.

Prior to his service with the union, Mr. Scheyer served as a captain in the United States Army during World War II.

UPHOLSTERERS SEEKING 25-CENT HOURLY HIKE

Chicago.—Negotiations seeking a general increase of 25 cents an hour, with new minimum wage rates, have been opened by Local 18, Upholsterers' International Union, AFL, with the Chicago Retail Furniture Association.

A minimum of $1.50 an hour is asked for cabinet makers, finishers and service men; and $1.25 for platform men, order pickers, etc. Rates for miscellaneous warehouse workers are set at $1 for the first four months, $1.10 for the second four months and $1.25 thereafter.

An increase of $1 for the use of automobiles also is sought with additional compensation for trips outside the city limits.

Stronger National Defense Held Vital Need For Nation

Council Says Russian Expansionist Policy Threatens War

Miami.—The AFL Executive Council called for a strengthened national defense to safeguard the nation "against any eventuality."

In a sharply worded foreign policy statement, the council lashed out at the expansionist tactics of Soviet Russia and her military preparations which were characterized as "preparations for offensive warfare."

Warning that Russia's efforts to dominate Europe and to sabotage the Marshall Plan are "steps toward eventual war against the United States," the council declared:

"The horrors of a new war, a war of annihilation, are being engineered behind the screen of peace and may break out at any point at any time.

"Cognizant of these real dangers, the Executive Council has come to the conclusion that America's normal policies will have to be revised in accordance with the requirements of common sense national defense.

The full text of the council's statement follows:

"Communism is a world movement. It does not respect nor even recognize national boundaries. International developments of the past two years point to the inescapable conclusion that the leaders of Soviet Russia will not stay put. Like Hitler's Nazism, the Stalin brand of Communism must spread or perish. It is under an inner compulsion to attain world dominion to escape extinction.

"These are facts which every American today must realize and face squarely. Even if the Marshall Plan succeeds, Soviet Russia will not consent to containment of her expansionist drive. The Soviet leadership is bound to reach out for more power and more territory—by internal revolution, if possible, and, if not, by external force of arms.

"Despite the Iron Curtain, there is abundant evidence that Russia has not taken a single step toward disarmament since the end of the war. In fact, all her economic and industrial resources are being feverishly mobilized for the forging of new military, striking power. In particular, the Soviet government is concentrating on the manufacture of atomic bombs. The most optimistic estimates by American experts agree that she will succeed in developing such bombs within three years, at the utmost.

"At the same time, Russia is pillaging dependent territories and employing millions of captives under slave labor conditions to build up her military strength.

"These activities cannot be regarded as merely national defense measures. They obviously are preparations for offensive warfare.

"Against whom are these preparations directed? Is there any shadow of a doubt that the Stalin regime is pointing at the United States? Is any other nation capable of standing in Russia's way toward world domination?

"The virulent nature of her unceasing propaganda makes it evident that Russia is deliberately trying to make an enemy out of the United States. The Stalin forces are convinced that once the free American way of life is overthrown there will be no effective resistance to the complete Communist enslavement of the world.

"Intoxicated by their strength and dictatorial power, the Soviet leaders are still shrewd enough to realize that they cannot hope as yet to challenge the United States in open warfare. That is why they are waging a cold war and concentrating for the time being on capturing control of the remaining free nations of Europe. Each step in this direction is a step toward eventual war against the United States. That is what the Marshall Plan is designed to prevent. And that is why Russia is so desperately trying to undermine the European Recovery Program.

"In the light of this threatening but realistic situation, the American people are overwhelmingly supporting the Marshall Plan. But they must realize that even if the Marshall Plan is successful, it does not provide an adequate national defense. They must realize that the United Nations, as at present constituted, does not insure lasting peace.

"The peace we enjoy today has no substance or security. The horrors of a new war—a war of annihilation—are being engineered behind the screen of peace and may break out at any point at any time.

"Cognizant of these real dangers, the Executive Council has come to the conclusion that America's normal peace policies will have to be revised in accordance with the requirements of common sense national defense. Above all, our country and the free way of life for which it stands, must be safeguarded against any eventuality."

Wheeler is Recommended To Head Political League

Miami.—Former Senator Burton K. Wheeler of Montana was recommended by the AFL Executive Council for the post of executive director of Labor's League for Political Education.

The council's recommendation will be considered by the league's full administrative committee, which will render the final decision on the selection of a director.

As this edition went to press, the committee had not met for its scheduled session at which the selection will be made and final plans adopted for the league's activities. It is expected, however, that the council's recommendation will be accepted and acted upon favorably when the full committee meets. The administrative committee is composed of the Executive Council and 15 additional members who were appointed at the organizational meeting of the league held last December in Washington.

Mr. Wheeler, a democrat, served in the Senate for 24 years prior to his defeat at the polls in 1946. Since that time he has been engaged in the practice of law in Washington. His record as a Senator shows that he was consistently willing to give organized labor fair and just treatment in its drive to better the working conditions and wages of the American workers.

If finally appointed to the post, Mr. Wheeler will be responsible for the administration of the league's policy and its operations in the field. He will serve under the chairmanship of AFL President William Green, who heads Labor's League for Political Education. George Meany, AFL secretary-treasurer, holds a similar position in the league's organization. Both of the AFL leaders were elected to their positions at the meeting of the AFL national and international presidents which carried out the mandate of the last AFL convention and actually established the AFL's political arm.

With final action on the selection of the director, the league is expected to swing into action to achieve its goal of bringing about the defeat of all members of Congress who voted for the Taft-Hartley law and who have otherwise demonstrated attitudes unfriendly to labor.

Council Unanimously Rejects Wallace; Says Only Backer Is Communist Party

Miami.—In an unanimous decision, the AFL Executive Council went on record against the candidacy of Henry A. Wallace for President.

The council declaration charged that the only organization backing Mr. Wallace is the Communist party which has for its purpose and strategy the splitting of the liberal vote.

"The object of this strategy," the council statement said, "is to bring about the election of an arch-reactionary with isolationist leanings."

The council predicted that AFL members were "too intelligent and too patriotic" to be misled by the "false liberalism" of Mr. Wallace and his so-called third-party organization.

The complete text of the council statement on the Wallace candidacy follows:

"The Executive Council is completely and unanimously opposed to the presidential candidacy of Henry A. Wallace.

"We make this formal announcement so that the members of the American Federation of Labor may not be misled by the false liberalism of Mr. Wallace and his so-called third-party organization.

"The only organization back of Mr. Wallace is the Communist party. The Communists have now taken him in, lock, stock and barrel. He has become their front, their spokesman and their apologist.

"The strategy behind the Wallace campaign is devious, but transparent. The Communists, of course, have no hopes of electing him. Their purpose is to confuse the workers of America and split the liberal vote. The object of this strategy is to bring about the election of an arch-reactionary with isolationist leanings.

"This would play into the hands of Soviet Russia's expansionist policy. It would also bring about a state of affairs in this country which would promote the revolutionary aims of the Communists. Oppression and depression provide converts to their cause.

"The Executive Council is confident that the members of the American Federation of Labor are too intelligent and too patriotic to be hoodwinked by the Communists. They will not support Mr. Wallace."

Council Urges Immediate $800 Yearly Salary Increase for Federal Workers

Miami.—The AFL Executive Council called upon Congress to grant immediate approval to pending legislation which will boost salaries of federal postal workers and other employes by "not less than $800 per year."

Charging that government employes and their families have been "hit hardest by rising prices," the council declared "it is up to Congress to correct this mass injustice without delay."

The council statement said:

"The ever-widening gap between wage standards in the government service and the cost of living is graphically illustrated by the official record. Postal employes received their last wage adjustment on January 1, 1946, and other government employes six months later. According to the figures of the Bureau of Labor Statistics it is estimated that the overall cost of living has risen more than 27 percent within the past two years.

"That is the measure by which government pay has shrunk in this period. The mounting deficiency in the purchasing power of the take-home pay of federal employes is even greater than the figures indicate because food prices have gone up at a higher rate than general living costs and employes in the low-income bracket are forced to spend the greater part of their pay for food.

"It should also be noted that a large percentage of government employes live in large metropolitan areas where the cost of living has skyrocketed most steeply.

"Because of this severe economic pressure, some government employes have been forced to seek part-time jobs to supplement the inadequate pay which their jobs in the government service afford. Surely such intolerable conditions must not be prolonged.

"Within the past year, most employers in private industry have recognized the economic facts of life and adjusted wages to make up, in part at least, for higher prices. But government employes, who cannot bargain collectively for wages or strike but must depend upon the mercies of Congress, have been callously ignored by our lawmakers. That is a sorry reward for loyal and devoted service.

"Government, in most instances, has always lagged in establishing equitable wage standards and model working conditions. The disparity between government standards and private industry standards has never been so extreme as now. Congress has been considering the problem of attracting the highest type of officials to top policy-making jobs when the tangible rewards for such service are so low. It should now also take notice of the fact that the government will no longer be able to hire or keep high-type employes in rank-and-file federal jobs unless the present niggardly wage standards are promptly and adequately uplifted.

AFL'S AUTO WORKERS UNION WILL AID POLITICAL UNIT

Milwaukee, Wis.—The executive board of the AFL's United Auto Workers pledged the union to cooperate with the program of Labor's League for Political Education which was authorized by the AFL annual convention held last October.

Lester Washburn, president of the UAW, announced that union committees are being set up to coordinate its activities with those of the national league.

AFL'S MEAT CUTTERS HIT MEMBERSHIP HIGH

Chicago.—The AFL's Amalgamated Meat Cutters and Butcher Workmen of North America reported continued growth despite the active campaigns against labor waged by private interests.

Paterick E. Gorman, secretary-treasurer of the union, said the paid-up membership of the organization reached 196,872 at the end of December, the largest total in the union's history.

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AMERICAN FEDERATION OF LABOR
WEEKLY NEWS SERVICE
SUPPLEMENT

LABOR'S GOAL!
To Repeal
Taft-Hartley Law

WILLIAM GREEN, President
WASHINGTON, D. C., FRIDAY, FEBRUARY 6, 1948
GEORGE MEANY, Secretary-Treasurer

European Labor Meeting to Back ERP; Woll Blasts Soviet-Dominated WFTU

Miami.—Matthew Woll, chairman of the AFL's international labor relations committee and a member of the Executive Council, announced that trade union representatives of 16 European nations will meet to give their support to the Marshall Plan.

The conference, to be held in Brussels in March, will have the support of the British Trades Union Congress and the anti-Communist unions of France under the leadership of Leon Jouhaux, Mr. Woll declared.

In his report to the Executive Council, Mr. Woll denounced the World Federation of Trade Unions which the AFL has consistently refused to join because of its domination by the state-controlled unions of Soviet Russia and its satellite countries.

Describing the WFTU as "the international labor fifth column of the Kremlin," Mr. Woll predicted the group's "eventual collapse and disintegration" and added that it is expected the forthcoming meeting in Brussels may contribute to the formation of a new world labor organization composed of the free trade union movements throughout the world.

As factors making for the decline of WFTU influence, Mr. Woll mentioned the conflict within the organization growing out of Soviet opposition to the Marshall Plan, the split in the French labor movement, and the recent creation of the Inter-American Confederation of Labor.

The AFL leader condemned the WFTU for supporting what he characterized as Communist efforts to "capture the German trade unions through the so-called unification of the trade unions in all four zones."

Mr. Woll asserted that the Communists would attempt to pass off hundreds of thousands of "slave laborers working in the uranium mines of Saxony" as trade unionists to establish their domination over the combined labor movement.

He complained that the "blunders" in American Government policy toward German trade unions were handicapping the AFL in fighting the Soviet tactics.

"While the Communists are flooding German workers with wholesale propaganda," Mr. Woll asserted, "our Government has denied the free trade unions sufficient paper to publish the truth and expose the false arguments of the Communists. At the same time, our Government supplies paper for interior decorating magazines (where houses have been bombed to smithereens), and beauty culture magazines (where there are not enough calories to go around).

"In Germany our Government continues to hamper the trade unions by not giving them sufficient recognition in the economic policies and processes of the nation. This helps the Communists who boast of the important roles accorded to their unions in the Soviet zone."

Wage-Hour Division Issues Regulations Under FLSA

Washington, D. C.—William R. McComb, administrator of the Wage and Hour and Public Contracts Divisions of the Labor Department, announced the publication of a revised interpretative bulletin on compensation under the Fair Labor Standards Act.

The new bulletin deals primarily with a section of the Fair Labor Standards Act, also known as the Wage and Hour Law, which permits and governs the payment of wages in other than cash. The term "wages" includes the "reasonable cost," as determined by the administrator, to the employer of furnishing an employe with "board, lodging, or other facilities" when such items are customarily furnished.

"It appears to have been the clear intention of Congress to protect the basic minimum wage and overtime compensation required to be paid to the employe * * * from profiteering or manipulation by the employer," McComb said, regarding the safeguards which control the payment of wages in other than cash. He emphasized, however, that nothing prohibits the payment of wages in "facilities" furnished either as additions to a stipulated wage or as items for which deductions from a stipulated wage may be made.

According to the bulletin, no limits are set on the amount which may be deducted for "board, lodging, or other facilities," either in nonovertime weeks or in overtime weeks, in which the employe works at time and one-half his regular rate for each hour beyond 40—provided, these deductions represent no more than the reasonable cost of these facilities. "Reasonable cost," states the administrator, "does not include a profit to the employer or to any person affiliated with him."

In addition, the bulletin sets forth the principles limiting the amounts which may be deducted in both overtime and nonovertime weeks if "facilities" are furnished at a profit, and the rules governing deductions for articles which do not qualify as "facilities," as, for example, tools, miners' lamps and dynamite caps.

The bulletin also points out that no deductions may be made for any tax or share of a tax which must, under law, be borne by the employer. Where, however, taxes are assessed against the employe, collected by the employer, and forwarded to the appropriate governmental agency, as is the case with social security taxes, for example, the deductions required by law may be made.

This bluletin may be obtained without cost from the Wage and Hour and Public Contracts Division, U. S. Department of Labor, Washington 25, D. C., or from any regional or branch office.

Doherty, NALC Head, Urges Public Aid In Drive for $800 Permanent Pay Hike

Akron, Ohio.—William C. Doherty, president of the National Association of Letter Carriers, called upon Congress to approve legislation granting an $800 a year permanent salary increase to postal workers.

In an address here, Mr. Doherty urged the American people to support the NALC in its drive to obtain the salary increase in order to make it possible for letter carriers to break even in their struggle to maintain an adequate and decent, but not a luxurious standard of living.

The letter carriers chief presented figures prepared by the Bureau of Labor Statistics to justify the $800 pay raise the organization is seeking.

Since January 1, 1946, the date of the last pay raise for postal workers, the BLS consumers' price index has risen by 26.9 percent, Doherty declared. Adjusting that figure to include later price increases, the cost of living increase as of January 1, 1948, amounted to 27 percent, he said. To offset this amazing jump in living costs and to strike a balance between the letter carrier's income and his expenses for a decent living, requires an $800 boost in yearly pay, Mr. Doherty asserted.

In his address the former letter carrier emphasized the traditional devotion to duty and pride in the service exhibited by the postal workers in the faithful and efficient performance of their jobs. Mr. Doherty pointed out, however, that with the present battle against the rising tide of high prices, the postal worker has more on his mind than simply the task of doing a good job. He warned of inevitable reduced efficiency and lack of interest unless action is taken to improve the lot of the letter carriers. He said:

"Letter carriers must look for concrete evidence of reciprocity in the matter of faithfulness to duty and pride in their work. The simple truth of the matter is that no country can underpay its employes and expect them to remain proud of their jobs.

"Private industry long ago learned the wisdom of providing their employes with incentives for remaining on the job. On the other hand, Government has always lagged in setting up equitable wage standards, and attractive conditions of work.

"Neither Government nor private industry should be so foolish to believe they can attract and hold high type of employes without proper regard for the economic welfare of those employes."

HATTERS UNION CALLS FOR ACTION TO STOP INFLATION

Atlantic City, N. J.—The executive board of the United Hatters, Cap and Millinery Workers Union, AFL, called for the enactment of a 5-point inflation-control program "to prevent a depression in this country and to preserve Western Civilization in Europe."

The action was taken in a resolution adopted by the 24-man board, representing some 40,000 workers in this country and Canada. The program called for:

1. Limited price controls. 2. Rationing of scarce consumer goods. 3. Allocation of scarce raw materials. 4. Restoration of an excess profit tax. 5. Control over banking credits and consumer credits.

"As for wages," the resolution declared, "we say that effective price control will remove the chief pressure behind demands by labor for higher wages. We would rather have lower prices than higher wages because we have seen how the past two years prices have always outrun wages."

Food Prices Up 2% In Month; Index 42% Above June 1946

Washington, D. C.—Food prices, which take the biggest bite out of the average worker's budget, rose 2.1 percent between mid-November and mid-December, the Bureau of Labor Statistics reported.

With higher prices at the retail level reported for all major food groups, the BLS retail food price index hit a new high, 206.9 percent above the 1935-39 average. The index, which is compiled on the basis of food price surveys in 56 large cities, stood at a level 12 percent above the post-World War I peak reached in June 1920, and 42 percent higher than in June 1946.

The price advance scored as of mid-December represented the continuation of an upward trend begun in May 1947 and halted only once since that time, the BLS report declared.

Fats and oils prices, contrary to the usual seasonal trend, climbed 6 percent, as the price of shortening jumped 11 percent, oleomargarine 7 percent, and lard 6 percent, with continued strong demand. At a time when they usually decline, egg prices advanced 5 percent, with broad consumer buying and low storage reserves.

Prices of dairy products, influenced mainly by butter, rose almost twice the usual seasonal amount and in mid-December were more than 3 percent higher than in mid-November. All items in the group registered advances. The average price of butter rose 8 percent, from 88 cents to over 95 cents a pound.

Fruit and vegetable prices went up approximately 3 percent, with fresh items up 2½ percent, about the usual seasonal rise. Prices of canned fruits and vegetables rose ½ percent, and dried items 1½ percent. Prices of fresh green beans which usually go up at this time of year, declined more than 21 percent, with abundant supplies, and orange prices dropped 10 percent.

Prices of meats, poultry, and fish as a group advanced 0.1 percent over a period when they usually decline. However, red meats showed a slight average decrease of 0.2 percent, as pork chops went down 4 percent, leg of lamb 2½ percent, and chuck roast about 1 percent.

Retail food prices showed increases from November 15 to December 15 in all of the 56 cities surveyed, ranging from 0.6 percent in San Francisco to 5.7 percent in Little Rock. The rises over a year varied from 5.4 percent for San Francisco to 20.4 for Peoria. Price advances from August 1939 ranged from 103.5 percent in Portland, Maine, to 156.1 in Memphis.

Truman Repeats Warning On Inflation; Commodity Prices, Stocks Drop Sharply

Washington, D. C.—President Truman warned again that a continued inflationary boom would lead to a serious economic bust unless action were taken to curb the rise in prices.

At his regular press conference, Mr. Truman made it plain that he believed the answer to inflation could be found in his request to Congress for a 10-point program to arrest the alarming upward price spiral, including necessary authority to impose rationing and price control in selected segments of the nation's economy.

The President produced a chart prepared by the Bureau of the Budget which graphically portrayed the extent to which prices have risen. Food prices have climbed to 203 percent of the 1935-39 average, the clothing price index stands at 190, and the combined index for food, clothing and rents reached 165, the chart revealed. All prices reported on the chart were at new record high levels.

Meanwhile the commodity markets of the nation and the New York Stock Exchange reported substantial price drops over a 2-day period. Commodities in particular experienced a heavy slump from their previous high levels.

Wheat and other grains dropped the full legal limit on each of the two days prior to the publication of this edition. Corn and soy beans dropped 8 cents a bushel, while cotton, and practically all other items went down in price by a substantial amount.

In this connection, the Bureau of Labor Statistics reported a drop in wholesale prices for the second consecutive week, and the Associated Press wholesale composite of 35 commodities recorded its sharpest decline in 9 months.

The sudden slump in the nation's primary markets stumped the financial experts. From the varied comment reported in the press by business leaders and economic analysts there appeared to be two main schools of thought: the first that the turning point in the inflationary spiral may have been reached, the second that the price break marked a healthy adjustment of the price structure.

The average worker in the industrial establishments of the nation is hoping that the final result of the price break, regardless of the reasons therefor, will be a lowering of the cost of living. He has been caught in the economic squeeze for too long a time and has seen his weekly wages, while increasing slightly in dollars, constantly dwindling in terms of what those dollars will buy.

Pot Roast Costs As Much As Steak; Senate Committee Says No Rationing

New York City.—The inexorable law of supply and demand operated here to push the price of pot roast up on a level with that for sirloin steak and 10 cents a pound higher than the price for prime ribs of beef.

This was reported as a freakish development, which, as the AFL has pointed out, is not the case at all.

AFL economist Boris Shishkin, in testimony before a Senate committee, carefully explained that situations of this type are to be expected in the absence of any control over the allocation of meat.

It is but the manifestation of a trend, he declared, toward concentration of demand upon the ordinarily cheaper cuts of meat, which demand has served to boost the prices of these cheaper cuts until the normal differential no longer exists. Mr. Shishkin demonstrated that prices of the "cheap" meat cuts have risen more in proportion than prices of the traditionally expensive cuts.

Faced with a predicted meat shortage this spring, pressure to boost the price of the less expensive cuts of meat will continue and become more intense, Shishkin said.

Meanwhile, a Senate subcommittee voted 3-2 against the proposal of Senator Flanders to provide stand-by rationing authority to ensure an equitable distribution of the expected curtailed supply of meat.

State Survey Shows Important Role Arbitrators Play In Labor Disputes

New York City.—The importance of the permanent umpire or arbitrator in attempting to maintain industrial peace was highlighted by the results of a survey conducted by the New York State Labor Department.

The survey, the first of its kind here, disclosed that 397,000 workers employed in 22,000 shops are affected by the decisions of the umpires or arbitrators provided under the terms of contracts agreed to by labor and management.

The arbitrators, 31 of whom are employed here, hear cases involving any dispute arising out of the union contract, and sometimes other disputes. In many industries, specific power is given the umpires to terminate deadlocks in the renegotiation of wages during a contract. Unions and employers often agree to allow the arbitrator to determine wage changes according to changes in living costs.

Two-thirds of all workers covered by permanent arbitration, 260,000 employes, are in the men's and women's clothing industry. These trades have a history of arbitration dating back to 1910. The next largest group in the personal service fields includes 60,000 employes in hotels, laundries, cleaning plants and barber shops. Nearly 7,000 concerns employing 34,300 workers in the building service field use permanent arbitration.

In all but two cases, single arbitrators rather than boards of arbitration are the rule. Harry Uviller handled 2,500 complaints in the dress industry in 1945. George J. Mintzer has had no cases in the women's underwear industry in five years.

MINNESOTA AFL GROUP SEEKS DEFEAT FOR BALL

St. Poul, Minn.—The AFL's Minnesota State Federation of Labor embarked upon a campaign to defeat Senator Joseph H. Ball and other members of Congress unfriendly to the cause of labor.

Creating the Minnesota Labor's League for Political Action, the federation appointed a 10-man executive committee to carry on its activities and urged its members throughout the state to contribute $2 each to provide funds for the league.

The league's executive committee was empowered to seek support from the state's farmers, cooperatives and small businessmen.

Committee Directs Immediate Steps To Set Up Political Unit

Selection of Director Postponed to March; Wheeler Rejected

Miami.—The administrative committee of Labor's League for Political Education adjourned its session without taking final action on the appointment of a director to head the organization.

A resolution adopted by the committee authorized AFL President William Green and George Meany, secretary-treasurer, to proceed with the actual setting up of the league as a functioning unit.

The resolution directed Mr. Green and Mr. Meany to establish the league's headquarters, employ the necessary staff, initiate appeals for funds and to proceed with organizational details pending the final selection of a director to head the political unit.

At the same time, it was announced that the committee will convene in Washington on March 9th for the purpose of selecting the league's director and to consider other aspects of the league's activities. At the same time, representatives of the AFL state federations of labor will be invited to confer with the committee concerning plans and strategy for the conduct of the political campaign.

The avowed purpose of the league, which was authorized by the 66th annual convention of the AFL held last October in San Francisco, is to wage an unrelenting fight for the repeal of the Taft-Hartley law and the defeat at the polls of its supporters in Congress.

Former Senator Burton K. Wheeler, nominated for the position as the league's director by the AFL Executive Council, conferred with the AFL leaders concerning the position. Following the conference it was announced that Mr. Wheeler would be unable to devote full time to the task and that his name had been withdrawn from further consideration by the administrative committee.

Mr. Wheeler expressed the opinion that the AFL was making "a truly important contribution to better government" through the establishment of the league, and he volunteered to serve without pay as an advisory consultant to the new group.

The coming meeting scheduled for March 9th in Washington will provide an opportunity for various state leaders to discuss with AFL national officials the status and activities of the state political organizations which have been set up in a number of states. The exchange of information and experience will furnish both parties with valuable information concerning the conduct of the political drive to get out the vote this fall and to insure the defeat of labor's enemies.

Funds for the league will be solicited as voluntary contributions from AFL members throughout the nation. AFL President William Green, elected as national chairman of the league, has stated that members will be asked to contribute $1 each to the league's political war chest. Under previously adopted plans, half of this sum will be forwarded to the national organization and half will be retained for use in the state campaigns. The league will have power to allocate additional sums to states where the need exists.

State Labor's League for Political Education Organized In Connecticut

Bridgeport, Conn.—State AFL leaders met here and established the Connecticut Labor's League for Political Education which will function as the political arm of the State Federation of Labor.

Joseph P. Cleary, former head of the federation's Labor's Non-Partisan Political Committee, was elected chairman of the new organization and J. Lawrence O'Toole, assistant secretary of the state federation was chosen secretary-treasurer for the LPE.

Highlights among the decisions taken at the organizational meeting of the league were:

1. A request to local unions to set up local leagues for political education.

2. To urge the presidents of all AFL national unions to ask their locals to participate in the affairs of the state LPE.

3. To call meetings of all union officers in various districts for the purpose of explaining the league's program and activities.

Other action included the grant of authority to Chairman Cleary to appoint an executive committee of 5 members to plan for memberships in the league and work out plans for the raising of funds to pay for radio time, newspaper advertising, rental of halls, literature, and other expenses of the league. The executive committee was empowered to make agreements with friendly non-Communist groups in order to further the program of the league.

By unanimous vote the delegates to the meeting reiterated the stand taken by the state federation's convention against third-party movements. Chairman Cleary described the presidential candidacy of Henry Wallace "a tragedy" and declared that Wallace was supported by elements which showed not the slightest concern for the welfare of the working people.

In a statement issued upon the organization of the league, Mr. Cleary stressed the importance of political activity leading toward the repeal of the Taft-Hartley law.

In answer to the proponents of the law who claim it has not proven to be a "slave" measure, he said that labor's enemies are only waiting for the election to pass and for employment conditions to become adverse for labor, at which time they will launch a campaign designed to destroy the labor movement.

Timothy M. Collins, president of the Connecticut Federation of Labor, and Joseph M. Rourke, secretary-treasurer, pledged 100 percent cooperation on the part of the federation with the League for Political Education.

Labor Legionnaires Act to Mobilize Veteran Vote Against the T-H Law

Chicago.—The executive committee of the National Conference of Union Labor Legionnaires adopted a program of action designed to mobilize the votes of veterans against supporters of the pernicious Taft-Hartley law.

At a meeting here, the committee pledged the aid of the conference, which represents some 30,000 trade union members of the American Legion, to the American Federation of Labor and other labor groups in their fight for repeal of the law and for the defeat at the polls of those members of Congress who worked for its enactment.

Cooperating with the conference committee in setting up the anti-Taft-Hartley campaign was Lewis G. Hines, national legislative representative for the AFL, who represented its president, William Green.

Commenting upon the decision of the conference to work closely with the labor organizations during the coming political campaign, George Danfield, executive secretary, said:

"The veteran has got to know the truth about this vicious legislation, the Taft-Hartley law, so that he can vote against it at the next election. We in the Conference of Union Labor Legionnaires plan to get this information out to him.

"We feel that the veteran, his family and his friends, constitute a large segment of our voting population and might well be a deciding factor in the elections eof 1948."

The program adopted for the conference calls for the establishment of committees at the local, state and national level to undertake the job of organizing trade union veterans in their fight on the law. To this end, the conference pledged itself "to stand solidly with organized labor for all candidates favorable to labor's program."

The AFL committee which is cooperating with the Conference of Union Labor Legionnaires includes: C. J. Haggerty, secretary-treasurer of the California Federation of Labor; James McDevitt, president of the Pennsylvania Federation of Labor; Irvin Kuenzli, secretary-treasurer of the American Federation of Teachers; Edwin S. Miller, secretary-treasurer of the Hotel, Restaurant Employes and Bartenders Union; George Haberman, president of the Wisconsin Federation of Labor; and E. J. Atkinson, manager of the Chicago Motion Picture Operators Union.

AFL Supports President's Program To Rebuild Strong Labor Department

Washington, D. C.—Nelson H. Cruikshank, the AFL's director of social insurance activities, urged Congress to approve President Truman's request to place the United States Employment Service and the Bureau of Employment Security within the Labor Department.

In testimony before the House Committee on Expenditures in the Executive Departments, Mr. Cruikshank reiterated the stand taken by the 66th annual convention of the AFL, last October which called for transfer of these agencies to the Labor Department. President Truman, in his Reorganization Plan No. 1, has since requested the Congress to approve such action.

Mr. Cruikshank condemned the emasculated version of the Labor Department which exists today asserting that the Department of Labor "is a department in name only." He added:

"The Children's Bureau, the Conciliation Service, and the Immigration and Naturalization Service have been removed from its jurisdiction. For the current fiscal year its appropriation has been cut almost 25 percent. The funds of the Wage and Hour Division have been cut so drastically that its capacity to carry out its responsibilities in connection with the Fair Labor Standards Act has been seriously impaired."

Mr. Cruikshank presented evidence to show that there is considerable bipartisan support for the President's proposal to shift the two agencies, which exercise related functions, to the department which is responsible for fostering, promoting, and developing the welfare of the wage earners, the Labor Department. He quoted from the 1944 platform of the Republican Party which pledged itself to work for the strengthening of the Labor Department. The platform said:

"The Department of Labor has been emasculated by the New Deal. Labor bureaus, agencies and committees are scattered far and wide, in Washington and throughout the country, and have no semblance of systematic or responsible organization. All governmental labor activities must be placed under the direct authority and responsibility of the Secretary of Labor."

The AFL representative hit at critics of the proposed transfer who claim that the Labor Department aids and abets labor in the achievement of its goals. He said:

"This type of propaganda is deliberately calculated to create the impression that the department would subordinate the national interest to that of a particular group. Let there be no mistake about the pretended fears of those who oppose this plan. Experience emphatically refutes this specious contention. Industry throughout the nation has for years utilized the statistics and information compiled and released by the Bureau of Labor Statistics of the U. S. Department of Labor with complete confidence in their integrity.

"For years employers have worked hand in hand with the Apprentice Training Service in the Department of Labor in carrying out apprenticeship programs. The activities of the Labor Standards Division of the department are of direct concern to employers. But of more immediate relevancy is the fact that since September 1945 when the U. S. Employment Service was returned to the Department of Labor more employers and workers are using public employment office services and facilities than ever before in peacetime history."

TAFT-HARTLEY LAW SLOWS CONTRACT NEGOTIATIONS

New York.—David Sullivan, president of Local 32-B of the AFL's Building Service Employes Union, placed the blame squarely upon the Taft-Hartley law for any possible work interruption resulting from the expiration of contracts with building owners here. He said:

"We have been struggling with the 'red-tape' of the Taft-Hartley law which is causing delay and confusion. Most of the owners feel as we do, that in this industry at least, it serves no purpose except to interfere with orderly collective bargaining.

"We are trying to avoid a work stoppage. If any trouble does occur, it will only be the fault of those who have seen fit to disrupt stabilized labor relations."

Ballots Defend Your Freedom

BE SURE TO VOTE
THIS YEAR AND
EVERY YEAR